

13699
RECORDATION NO. Filed 1428
CRAVATH, SWAINE & MOORE

ONE CHASE MANHATTAN PLAZA

NEW YORK, N. Y. 10005

13699/B

RECORDATION NO. Filed 1428

JUL 12 1982-3 55 PM

INTERSTATE COMMERCE COMMISSION

13699/C

JUL 12 1982-3 55 PM

INTERSTATE COMMERCE COMMISSION

2-19380-11

No. JUL 12 1982

Date 100.00

Fee \$

ICC Washington, D. C.

July 8, 1982

Allied Corporation
Lease Financing Dated as of June 15, 1982
15-3/4% Conditional Sale Indebtedness Due 1987

Dear Ms. Mergenovich:

Pursuant to 49 U.S.C. § 11303 and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of Allied Corporation for filing and recordation counterparts of the following Agreements:

(1) (a) Conditional Sale Agreement dated as of June 15, 1982, between Exchange National Bank of Chicago, as Trustee, and ACF Sales Corporation, as Builder;

(b) Agreement and Assignment dated as of June 15, 1982, between Knights of Columbus, as Assignee, and ACF Sales Corporation, as Builder;

(2) (a) Lease of Railroad Equipment dated as of June 15, 1982, between Allied Corporation, as Lessee, and Exchange National Bank of Chicago, as Trustee; and

RALPH L. MCAFEE
HENRY W. DEKOSMIAN
ALLEN F. MAULSBY
STEWART R. BROSS, JR.
HENRY P. RIORDAN
JOHN R. HUPPER
SAMUEL C. BUTLER
WILLIAM J. SCHRENK, JR.
BENJAMIN F. CRANE
JOHN F. HUNT
GEORGE J. GILLESPIE, III
RICHARD S. SIMMONS
WAYNE E. CHAPMAN
THOMAS D. BARR
MELVIN L. BEDRICK
GEORGE T. LOWY
ROBERT ROSENMAN
JAMES H. DUFFY
ALAN J. HRUSKA
JOHN E. YOUNG
JAMES M. EDWARDS
DAVID G. ORMSBY
DAVID L. SCHWARTZ
RICHARD J. HIEGEL
CHRISTINE BESHAR
ROBERT S. RIFKIND

DAVID BOIES
DAVID O. BROWNWOOD
PAUL M. DODYK
RICHARD M. ALLEN
THOMAS R. BROME
ROBERT D. JOFFE
ROBERT F. MULLEN
ALLEN FINKELSON
RONALD S. ROLFE
JOSEPH R. SAHID
PAUL C. SAUNDERS
MARTIN L. SENZEL
DOUGLAS D. BROADWATER
ALAN C. STEPHENSON
RICHARD L. HOFFMAN
JOSEPH A. MULLINS
MAX R. SHULMAN
WILLIAM P. DICKEY
STUART W. GOLD
JOHN W. WHITE
JOHN E. BEERBOWER
EVAN R. CHESLER
PATRICIA GEOGHEGAN
D. COLLIER KIRKHAM
MICHAEL L. SCHLER

JUL 12 1982-3 55 PM

INTERSTATE COMMERCE COMMISSION

13699/A
RECORDATION NO. Filed 1428

JUL 12 1982-3 55 PM

INTERSTATE COMMERCE COMMISSION

COUNSEL
MAURICE T. MOORE
FRANCIS F. RANDOLPH, JR.

TELEPHONE
212 422-3000

TELEX
RCA 233663
WUD 125547
WUI 620976

CABLE ADDRESSES
CRAVATH, N. Y.
CRAVATH, LONDON E. C. 2
33 THROGMORTON STREET
LONDON, EC2N 2BR, ENGLAND
TELEPHONE: 1-606-1421
TELEX: 8814901
RAPIFAX/INFOTEC:
1-606-1425

FEE OPERATION BR.

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RECEIVED

Handwritten signature: John Mergenovich

(b) Assignment of Lease and Agreement dated as of June 15, 1982, between Exchange National Bank of Chicago, as Trustee, and Knights of Columbus, as Vendor.

The names and addresses of the parties to the aforementioned Agreements are as follows:

(1) Vendor-Assignee:

Knights of Columbus
One Columbus Plaza
New Haven, Connecticut 06507

(2) Lessee:

Allied Corporation
P.O. Box 1219R
Columbia Road and Park Avenue
Morristown, New Jersey 07960

(3) Builder:

ACF Sales Corporation
750 Third Avenue
New York, N. Y. 10017

(4) Trustee:

Exchange National Bank of Chicago
130 South LaSalle Street
Chicago, Illinois 60603

Please file and record the Agreements referred to in this letter and index them under the names of the Trustee, Lessee, Builder and Vendor-Assignee.

The equipment covered by the aforementioned Agreements appears in Exhibit A attached hereto and also bears the legend "Ownership Subject to a Security Agreement Filed with the Interstate Commerce Commission".

There is also enclosed a check for \$100 payable to the Interstate Commerce Commission representing the required recordation fee.

Please stamp all counterparts of the enclosed Agreements with your official recording stamp. You will

wish to retain one copy of the instrument for your files.
It is requested that the remaining counterparts be delivered
to the bearer of this letter.

Very truly yours,

Laurance V. Goodrich

Laurance V. Goodrich
As Agent for Allied
Corporation

Agatha L. Mergenovich,
Secretary,
Interstate Commerce Commission,
Washington, D. C. 20423.

Encls.

13899/C
RECORDATION NO. Filed 1425

JUL 12 1982 -3 55 PM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE AND AGREEMENT dated as of June 15, 1982 ("Assignment"), by and between EXCHANGE NATIONAL BANK OF CHICAGO ("Trustee"), acting not in its individual capacity but solely as trustee under the Trust Agreement dated as of the date hereof with Litton Industries Credit Corp. ("Owner") and KNIGHTS OF COLUMBUS ("Vendor").

The Trustee is entering into a Conditional Sale Agreement dated as of the date hereof ("CSA") with ACF Sales Corporation ("Builder"), providing for the sale to the Trustee of such units of railroad equipment ("Units") described in Annex B thereto as are delivered to and accepted by the Trustee thereunder.

The Trustee and Allied Corporation ("Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof ("Lease") providing for the leasing by the Trustee to the Lessee of the Units.

NOW, THEREFORE, in consideration of the promises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Trustee hereby assigns, transfers and sets over unto the Vendor, as collateral security for the payment and performance of the obligations of the Trustee under the CSA, all the right, title and interest, powers, privileges, and other benefits of the Trustee under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Trustee from the Lessee whether as rent, casualty payment, termination payment, indemnity, liquidated damages or otherwise (such moneys, other than Excluded Payments as hereinafter defined, being hereinafter called "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Trustee is or may become entitled to do under the Lease. The Trustee does not assign to the Vendor,

and the Vendor shall have no right or interest in and to, any Excluded Payments. As used herein, the term "Excluded Payments" shall mean (i) payments by the Lessee to the Owner for its own account or to the Trustee for its own account pursuant to §§ 6 and 9.5 of the Lease and (ii) any proceeds payable under liability insurance policies to or for the benefit of the Owner or the Trustee for its own account. In furtherance of the foregoing assignment and subject to Section 11 hereof, the Trustee hereby irrevocably authorizes and empowers the Vendor in its own name, or in the name of its nominee, or in the name of the Trustee or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Trustee is or may become entitled to under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Vendor agrees to accept any Payments made by the Lessee for the account of the Trustee pursuant to the Lease. To the extent received, the Vendor will apply such Payments to satisfy the obligations of the Trustee under the CSA, and, so long as no Event of Default shall have occurred and be continuing under the CSA, any balance shall be paid to the Trustee on the same date such Payment is applied to satisfy such obligations of the Trustee, by check mailed to the Trustee on such date or, upon written request of the Trustee, by bank wire to the Owner at such address as may be specified to the Vendor in writing, and such balance shall be retained by the Trustee; provided, however, that, unless and until the Vendor shall otherwise direct the Lessee in writing pursuant to Paragraph (1) of the attached Consent and Agreement, the Lessee will pay directly to the Trustee that portion of the Payments not required from time to time to satisfy the obligations of the Trustee under the CSA. If the Vendor shall not receive any rental payment under § 3 of the Lease when due, the Vendor shall notify the Trustee at the address set forth in the Lease; provided, however, that the failure of the Vendor so to notify the Trustee shall not affect the obligations of the Trustee hereunder or under the CSA.

Any Excluded Payment received by the Vendor shall be immediately paid to the Owner or the Trustee entitled to receive the same.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Vendor to, or transfer, or pass, or in any way affect or modify the liability of the Trustee under the Lease, it being understood and agreed that

notwithstanding this Assignment or any subsequent assignment, all obligations of the Trustee to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Trustee or persons other than the Vendor.

3. The Trustee will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides is to be performed by the Trustee; without the written consent of the Vendor, subject to Section 11 hereof, the Trustee will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease, and the Trustee agrees that any amendment, modification or termination thereof without such consent shall be void.

4. Subject to Section 11 hereof, the Trustee does hereby constitute the Vendor the true and lawful attorney of the Trustee, irrevocably, with full power (in the name of the Trustee, or otherwise), to ask, require, demand, receive and compound any and all Payments due and to become due under or arising out of the Lease to which the Trustee is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which to the Vendor may seem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all sums due from the Trustee under the CSA, this Assignment and all rights herein assigned to the Vendor shall terminate, and all estate, right, title and interest of the Vendor in and to the Lease shall revert to the Trustee.

6. The Trustee will pay or discharge any and all liens, charges or security interests claimed by any party from, through or under the Trustee (and, to the extent the Trustee receives funds for such purposes, claimed by any party from, through or under the Owner and its successors and assigns) not arising out of the ownership of the Equipment or the transactions contemplated by the Participation Agreement, this Agreement and the Lease (but including tax liens arising out of the receipt by the Owner and/or

the Trustee of rentals and other payments under the Lease, the Participation Agreement and any other proceeds of the Equipment unless the Lessee has agreed under the Lease to pay or discharge the same) on or with respect to the Equipment, or any unit thereof, or the Owner's or the Trustee's interest in the Lease and the payments to be made thereunder, but the Trustee shall not be required to pay or discharge any such lien, charge or security interest so long as the validity thereof shall be contested in good faith and by appropriate legal or administrative proceedings in any reasonable manner and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the security interest of the Vendor in or to the Lease and the payments to be made thereunder.

7. The Trustee will, from time to time, execute, acknowledge and deliver any and all further instruments required by law as reasonably requested by the Vendor in order to confirm or further assure the interest of the Vendor hereunder.

8. The Vendor may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Vendor hereunder.

9. This Assignment shall be governed by the laws of the State of Illinois, but the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

10. The Trustee shall cause copies of all notices received in connection with the Lease, and all payments hereunder to be promptly delivered or made to the Vendor at its address set forth in Article 21 of the CSA, or at such other address as the Vendor shall designate.

11. The Vendor hereby agrees with the Trustee that the Vendor will not, so long as no Event of Default under the Lease, or event of default under the CSA, has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits which are assigned and transferred by the Trustee to the Vendor by this Assignment, except the right to receive and apply the Payments as provided in Paragraph 1 hereof, and that,

subject to the terms of the Lease and the CSA, the Trustee may, so long as no event of default under the CSA or Event of Default under the Lease has occurred and is continuing, exercise or enforce, or seek to exercise or enforce or avail itself of, such rights, powers, privileges, authorizations or benefits.

Unless and until an Event of Default under the Lease, or an event of default under the CSA, has occurred and is continuing, the Trustee shall have the right, without the concurrence of the Vendor, to adjust the rentals, Casualty Values and Termination Values pursuant to § 3 of the Lease and to exercise the rights of the Lessor under §§ 7.7, 13 and 14 of the Lease; at all times the Trustee may, without the concurrence of the Vendor, receive all notices, certificates, opinions of counsel and other documents and information to be furnished to the Trustee under the Lease; at all times the Trustee shall have the right to proceed by appropriate court action either at law or in equity to enforce the performance by the Lessee of its obligations with respect to Excluded Payments or to recover damages for the breach thereof as provided in § 10(aa) of the Lease but may not declare an Event of Default under or terminate the Lease. The Vendor may not at any time, without the concurrence of the Owner and the Trustee, amend, modify or supplement or give or accept any waiver or consent with respect to, the Lease so as to increase the liabilities or diminish the immunities of the Owner or the Trustee or reduce the amount or extend the time of payment of any Excluded Payment then due and payable or change any of the circumstances under which Excluded Payments are payable.

12. It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, undertakings, covenants, warranties and agreements herein made on the part of the financial institution acting as Trustee hereunder are made and intended not as personal representations, undertakings, covenants, warranties and agreements by said institution or for the purpose or with the intention of binding said institution personally but are made and intended for the purpose of binding only the Trust Estate (as such term is used in the Trust Agreement) and this Assignment is executed and delivered by the said institution solely in the exercise of its powers expressly conferred upon it as trustee under the Trust Agreement; and no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said institution or the Owner on account of this Agreement

or on account of any representation, undertaking, covenant, warranty or agreement herein (except, in the case of the Trustee only, as provided in Section 6 hereof or in the case of gross negligence or wilful misconduct of the Trustee), either express or implied, all such personal liability, if any, being expressly waived and released by the Vendor and by all persons claiming by, through or under the Vendor; provided, however, that the Vendor or any person claiming by, through or under it, making claim hereunder, may look to said Trust Estate for satisfaction of the same.

13. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument, but the counterpart delivered to the Vendor shall be deemed to be the original counterpart. Although for convenience this Assignment is dated as of the date first above written, the actual dates of execution hereof by the parties hereto are the dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

EXCHANGE NATIONAL BANK OF CHICAGO,
not in its individual capacity, but
solely as trustee under the
aforesaid Trust Agreement,

by


Authorized Officer

[Corporate Seal]

Attest:

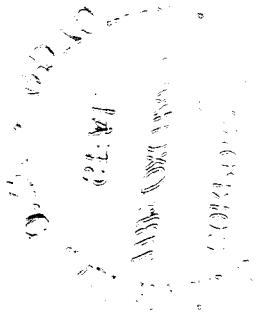

Authorized Officer

KNIGHTS OF COLUMBUS,
as Vendor,

by _____

[Corporate Seal]

Attest:



STATE OF CONNECTICUT,)
) ss.:
COUNTY OF NEW HAVEN ,)

On this day of 1982, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of KNIGHTS OF COLUMBUS, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Notarial Seal]

Notary Public

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 7th day of July 1982, before me personally appeared MICHAEL D. GOODMAN, to me personally known, who, being by me duly sworn, says that he is a Vice President of EXCHANGE NATIONAL BANK OF CHICAGO, that one of the seals affixed to the foregoing instrument is the corporate seal of said national association and that said instrument was signed and sealed on behalf of said national association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national association.

[Notarial Seal]

Notary Public

My Commission expires

7/28/83

CONSENT AND AGREEMENT

The undersigned, ALLIED CORPORATION ("Lessee"), the Lessee named in the Lease of Railroad Equipment ("Lease") referred to in the foregoing Assignment of Lease and Agreement ("Lease Assignment"), hereby (a) acknowledges receipt of a copy of the Lease Assignment and (b) consents to all the terms and conditions of the Lease Assignment and agrees that:

(1) it will pay or cause to be paid all rentals, casualty payments, termination payments, liquidated damages, indemnities (except Excluded Payments as defined in the Lease Assignment) and other moneys provided for in the Lease (which moneys are hereinafter called "Payments") due and to become due under the Lease or otherwise in respect of the Units leased thereunder, to the extent such payments are required to satisfy the obligations of the Trustee under the CSA (as defined in the Lease), by transfer of immediately available funds directly to the account of the Vendor (as defined in the Lease Assignment) at its place of payment specified in Schedule A of the Participation Agreement, each such payment to be accompanied by sufficient information to identify the source and application of such funds (or by such other method or at such other address as may be furnished in writing to the Lessee by the Vendor); any balance shall be paid by the Lessee to the Owner by wire transfer of immediately available funds to State National Bank of Connecticut, 1 Atlantic Street, Stamford, Connecticut 06902 for deposit in the account of the Owner entitled: Operating Account No. 1-37976-1, unless and until the Vendor shall otherwise direct the Lessee in writing;

(2) the Vendor shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the Lessee under the Lease as though the Vendor were named therein as the lessor;

(3) the Vendor shall not, by virtue of the Lease Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise; and

(4) the Lease shall not, without the prior written consent of the Vendor, be terminated (except in accordance with its terms) or modified, nor shall any

action be taken or omitted by the Lessee the taking or omission of which might result in an alteration or impairment of the Lease or the Lease Assignment or this Consent and Agreement or of any of the rights created by any thereof.

This Consent and Agreement, when accepted by the Vendor by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the State of New York and, for all purposes, shall be construed in accordance with the laws of said state.

ALLIED CORPORATION,

by

[Corporate Seal]

Assistant Treasurer

Attest:

Assistant Secretary

The foregoing Consent and Agreement is hereby accepted, as of June 15, 1982.

KNIGHTS OF COLUMBUS,
as Vendor,

by

ASSIGNMENT OF LEASE AND AGREEMENT dated as of June 15, 1982 ("Assignment"), by and between EXCHANGE NATIONAL BANK OF CHICAGO ("Trustee"), acting not in its individual capacity but solely as trustee under the Trust Agreement dated as of the date hereof with Litton Industries Credit Corp. ("Owner") and KNIGHTS OF COLUMBUS ("Vendor").

The Trustee is entering into a Conditional Sale Agreement dated as of the date hereof ("CSA") with ACF Sales Corporation ("Builder"), providing for the sale to the Trustee of such units of railroad equipment ("Units") described in Annex B thereto as are delivered to and accepted by the Trustee thereunder.

The Trustee and Allied Corporation ("Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof ("Lease") providing for the leasing by the Trustee to the Lessee of the Units.

NOW, THEREFORE, in consideration of the promises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Trustee hereby assigns, transfers and sets over unto the Vendor, as collateral security for the payment and performance of the obligations of the Trustee under the CSA, all the right, title and interest, powers, privileges, and other benefits of the Trustee under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Trustee from the Lessee whether as rent, casualty payment, termination payment, indemnity, liquidated damages or otherwise (such moneys, other than Excluded Payments as hereinafter defined, being hereinafter called "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Trustee is or may become entitled to do under the Lease. The Trustee does not assign to the Vendor,

and the Vendor shall have no right or interest in and to, any Excluded Payments. As used herein, the term "Excluded Payments" shall mean (i) payments by the Lessee to the Owner for its own account or to the Trustee for its own account pursuant to §§ 6 and 9.5 of the Lease and (ii) any proceeds payable under liability insurance policies to or for the benefit of the Owner or the Trustee for its own account. In furtherance of the foregoing assignment and subject to Section 11 hereof, the Trustee hereby irrevocably authorizes and empowers the Vendor in its own name, or in the name of its nominee, or in the name of the Trustee or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Trustee is or may become entitled to under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Vendor agrees to accept any Payments made by the Lessee for the account of the Trustee pursuant to the Lease. To the extent received, the Vendor will apply such Payments to satisfy the obligations of the Trustee under the CSA, and, so long as no Event of Default shall have occurred and be continuing under the CSA, any balance shall be paid to the Trustee on the same date such Payment is applied to satisfy such obligations of the Trustee, by check mailed to the Trustee on such date or, upon written request of the Trustee, by bank wire to the Owner at such address as may be specified to the Vendor in writing, and such balance shall be retained by the Trustee; provided, however, that, unless and until the Vendor shall otherwise direct the Lessee in writing pursuant to Paragraph (1) of the attached Consent and Agreement, the Lessee will pay directly to the Trustee that portion of the Payments not required from time to time to satisfy the obligations of the Trustee under the CSA. If the Vendor shall not receive any rental payment under § 3 of the Lease when due, the Vendor shall notify the Trustee at the address set forth in the Lease; provided, however, that the failure of the Vendor so to notify the Trustee shall not affect the obligations of the Trustee hereunder or under the CSA.

Any Excluded Payment received by the Vendor shall be immediately paid to the Owner or the Trustee entitled to receive the same.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Vendor to, or transfer, or pass, or in any way affect or modify the liability of the Trustee under the Lease, it being understood and agreed that

notwithstanding this Assignment or any subsequent assignment, all obligations of the Trustee to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Trustee or persons other than the Vendor.

3. The Trustee will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides is to be performed by the Trustee; without the written consent of the Vendor, subject to Section 11 hereof, the Trustee will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease, and the Trustee agrees that any amendment, modification or termination thereof without such consent shall be void.

4. Subject to Section 11 hereof, the Trustee does hereby constitute the Vendor the true and lawful attorney of the Trustee, irrevocably, with full power (in the name of the Trustee, or otherwise), to ask, require, demand, receive and compound any and all Payments due and to become due under or arising out of the Lease to which the Trustee is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which to the Vendor may seem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all sums due from the Trustee under the CSA, this Assignment and all rights herein assigned to the Vendor shall terminate, and all estate, right, title and interest of the Vendor in and to the Lease shall revert to the Trustee.

6. The Trustee will pay or discharge any and all liens, charges or security interests claimed by any party from, through or under the Trustee (and, to the extent the Trustee receives funds for such purposes, claimed by any party from, through or under the Owner and its successors and assigns) not arising out of the ownership of the Equipment or the transactions contemplated by the Participation Agreement, this Agreement and the Lease (but including tax liens arising out of the receipt by the Owner and/or

the Trustee of rentals and other payments under the Lease, the Participation Agreement and any other proceeds of the Equipment unless the Lessee has agreed under the Lease to pay or discharge the same) on or with respect to the Equipment, or any unit thereof, or the Owner's or the Trustee's interest in the Lease and the payments to be made thereunder, but the Trustee shall not be required to pay or discharge any such lien, charge or security interest so long as the validity thereof shall be contested in good faith and by appropriate legal or administrative proceedings in any reasonable manner and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the security interest of the Vendor in or to the Lease and the payments to be made thereunder.

7. The Trustee will, from time to time, execute, acknowledge and deliver any and all further instruments required by law as reasonably requested by the Vendor in order to confirm or further assure the interest of the Vendor hereunder.

8. The Vendor may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Vendor hereunder.

9. This Assignment shall be governed by the laws of the State of Illinois, but the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

10. The Trustee shall cause copies of all notices received in connection with the Lease, and all payments hereunder to be promptly delivered or made to the Vendor at its address set forth in Article 21 of the CSA, or at such other address as the Vendor shall designate.

11. The Vendor hereby agrees with the Trustee that the Vendor will not, so long as no Event of Default under the Lease, or event of default under the CSA, has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits which are assigned and transferred by the Trustee to the Vendor by this Assignment, except the right to receive and apply the Payments as provided in Paragraph 1 hereof, and that,

subject to the terms of the Lease and the CSA, the Trustee may, so long as no event of default under the CSA or Event of Default under the Lease has occurred and is continuing, exercise or enforce, or seek to exercise or enforce or avail itself of, such rights, powers, privileges, authorizations or benefits.

Unless and until an Event of Default under the Lease, or an event of default under the CSA, has occurred and is continuing, the Trustee shall have the right, without the concurrence of the Vendor, to adjust the rentals, Casualty Values and Termination Values pursuant to § 3 of the Lease and to exercise the rights of the Lessor under §§ 7.7, 13 and 14 of the Lease; at all times the Trustee may, without the concurrence of the Vendor, receive all notices, certificates, opinions of counsel and other documents and information to be furnished to the Trustee under the Lease; at all times the Trustee shall have the right to proceed by appropriate court action either at law or in equity to enforce the performance by the Lessee of its obligations with respect to Excluded Payments or to recover damages for the breach thereof as provided in § 10(aa) of the Lease but may not declare an Event of Default under or terminate the Lease. The Vendor may not, at any time, without the concurrence of the Owner and the Trustee, amend, modify or supplement or give or accept any waiver or consent with respect to, the Lease so as to increase the liabilities or diminish the immunities of the Owner or the Trustee or reduce the amount or extend the time of payment of any Excluded Payment then due and payable or change any of the circumstances under which Excluded Payments are payable.

12. It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, undertakings, covenants, warranties and agreements herein made on the part of the financial institution acting as Trustee hereunder are made and intended not as personal representations, undertakings, covenants, warranties and agreements by said institution or for the purpose or with the intention of binding said institution personally but are made and intended for the purpose of binding only the Trust Estate (as such term is used in the Trust Agreement) and this Assignment is executed and delivered by the said institution solely in the exercise of its powers expressly conferred upon it as trustee under the Trust Agreement; and no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said institution or the Owner on account of this Agreement

or on account of any representation, undertaking, covenant, warranty or agreement herein (except, in the case of the Trustee only, as provided in Section 6 hereof or in the case of gross negligence or wilful misconduct of the Trustee), either express or implied, all such personal liability, if any, being expressly waived and released by the Vendor and by all persons claiming by, through or under the Vendor; provided, however, that the Vendor or any person claiming by, through or under it, making claim hereunder, may look to said Trust Estate for satisfaction of the same.

13. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument, but the counterpart delivered to the Vendor shall be deemed to be the original counterpart. Although for convenience this Assignment is dated as of the date first above written, the actual dates of execution hereof by the parties hereto are the dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

EXCHANGE NATIONAL BANK OF CHICAGO,
not in its individual capacity, but
solely as trustee under the
aforesaid Trust Agreement,

by

[Corporate Seal]

Authorized Officer

Attest:

Authorized Officer

KNIGHTS OF COLUMBUS,
as Vendor,

by

Howard E. Murphy

Howard E. Murphy
Supreme Secretary

JH
Rae 11/1/82

[Corporate Seal]

Attest:

Edward J. Maloney

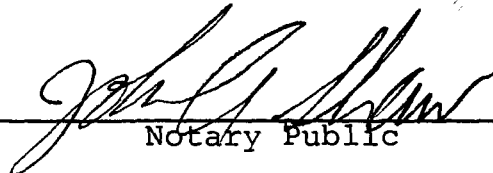
Edward J. Maloney
Ass't Supreme Secretary

STATE OF CONNECTICUT,)
) ss.:
COUNTY OF NEW HAVEN ,)

On this 9th day of July 1982, before me personally appeared Howard E. Murphy, to me personally known, who, being by me duly sworn, says that he is a Supreme Secretary of KNIGHTS OF COLUMBUS, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Notarial Seal]

My Commission expires


Notary Public

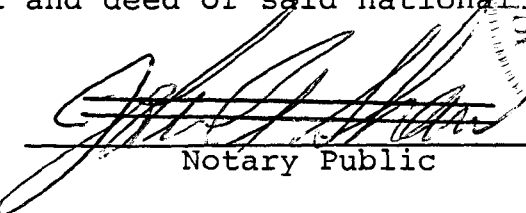
My Commission Expires Mar. 31, 1986

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 9 day of July 1982, before me personally appeared Howard E. Murphy, to me personally known, who, being by me duly sworn, says that he is a Vice President of EXCHANGE NATIONAL BANK OF CHICAGO, that one of the seals affixed to the foregoing instrument is the corporate seal of said national association and that said instrument was signed and sealed on behalf of said national association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national association.

[Notarial Seal]

My Commission expires


Notary Public

My Commission Expires Mar. 31, 1986

CONSENT AND AGREEMENT

The undersigned, ALLIED CORPORATION ("Lessee"), the Lessee named in the Lease of Railroad Equipment ("Lease") referred to in the foregoing Assignment of Lease and Agreement ("Lease Assignment"), hereby (a) acknowledges receipt of a copy of the Lease Assignment and (b) consents to all the terms and conditions of the Lease Assignment and agrees that:

(1) it will pay or cause to be paid all rentals, casualty payments, termination payments, liquidated damages, indemnities (except Excluded Payments as defined in the Lease Assignment) and other moneys provided for in the Lease (which moneys are hereinafter called "Payments") due and to become due under the Lease or otherwise in respect of the Units leased thereunder, to the extent such payments are required to satisfy the obligations of the Trustee under the CSA (as defined in the Lease), by transfer of immediately available funds directly to the account of the Vendor (as defined in the Lease Assignment) at its place of payment specified in Schedule A of the Participation Agreement, each such payment to be accompanied by sufficient information to identify the source and application of such funds (or by such other method or at such other address as may be furnished in writing to the Lessee by the Vendor); any balance shall be paid by the Lessee to the Owner by wire transfer of immediately available funds to State National Bank of Connecticut, 1 Atlantic Street, Stamford, Connecticut 06902 for deposit in the account of the Owner entitled: Operating Account No. 1-37976-1, unless and until the Vendor shall otherwise direct the Lessee in writing;

(2) the Vendor shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the Lessee under the Lease as though the Vendor were named therein as the lessor;

(3) the Vendor shall not, by virtue of the Lease Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise; and

(4) the Lease shall not, without the prior written consent of the Vendor, be terminated (except in accordance with its terms) or modified, nor shall any

action be taken or omitted by the Lessee the taking or omission of which might result in an alteration or impairment of the Lease or the Lease Assignment or this Consent and Agreement or of any of the rights created by any thereof.

This Consent and Agreement, when accepted by the Vendor by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the State of New York and, for all purposes, shall be construed in accordance with the laws of said state.

ALLIED CORPORATION,

by

[Corporate Seal]

Assistant Treasurer

Attest:

Assistant Secretary

The foregoing Consent and Agreement is hereby accepted, as of June 15, 1982.

KNIGHTS OF COLUMBUS,
as Vendor,

542
R2a 7/9/82

by

Howard E. Murphy
Howard E. Murphy
Supreme Secretary

ASSIGNMENT OF LEASE AND AGREEMENT dated as of June 15, 1982 ("Assignment"), by and between EXCHANGE NATIONAL BANK OF CHICAGO ("Trustee"), acting not in its individual capacity but solely as trustee under the Trust Agreement dated as of the date hereof with Litton Industries Credit Corp. ("Owner") and KNIGHTS OF COLUMBUS ("Vendor").

The Trustee is entering into a Conditional Sale Agreement dated as of the date hereof ("CSA") with ACF Sales Corporation ("Builder"), providing for the sale to the Trustee of such units of railroad equipment ("Units") described in Annex B thereto as are delivered to and accepted by the Trustee thereunder.

The Trustee and Allied Corporation ("Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof ("Lease") providing for the leasing by the Trustee to the Lessee of the Units.

NOW, THEREFORE, in consideration of the promises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Trustee hereby assigns, transfers and sets over unto the Vendor, as collateral security for the payment and performance of the obligations of the Trustee under the CSA, all the right, title and interest, powers, privileges, and other benefits of the Trustee under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Trustee from the Lessee whether as rent, casualty payment, termination payment, indemnity, liquidated damages or otherwise (such moneys, other than Excluded Payments as hereinafter defined, being hereinafter called "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Trustee is or may become entitled to do under the Lease. The Trustee does not assign to the Vendor,

and the Vendor shall have no right or interest in and to, any Excluded Payments. As used herein, the term "Excluded Payments" shall mean (i) payments by the Lessee to the Owner for its own account or to the Trustee for its own account pursuant to §§ 6 and 9.5 of the Lease and (ii) any proceeds payable under liability insurance policies to or for the benefit of the Owner or the Trustee for its own account. In furtherance of the foregoing assignment and subject to Section 11 hereof, the Trustee hereby irrevocably authorizes and empowers the Vendor in its own name, or in the name of its nominee, or in the name of the Trustee or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Trustee is or may become entitled to under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Vendor agrees to accept any Payments made by the Lessee for the account of the Trustee pursuant to the Lease. To the extent received, the Vendor will apply such Payments to satisfy the obligations of the Trustee under the CSA, and, so long as no Event of Default shall have occurred and be continuing under the CSA, any balance shall be paid to the Trustee on the same date such Payment is applied to satisfy such obligations of the Trustee, by check mailed to the Trustee on such date or, upon written request of the Trustee, by bank wire to the Owner at such address as may be specified to the Vendor in writing, and such balance shall be retained by the Trustee; provided, however, that, unless and until the Vendor shall otherwise direct the Lessee in writing pursuant to Paragraph (1) of the attached Consent and Agreement, the Lessee will pay directly to the Trustee that portion of the Payments not required from time to time to satisfy the obligations of the Trustee under the CSA. If the Vendor shall not receive any rental payment under § 3 of the Lease when due, the Vendor shall notify the Trustee at the address set forth in the Lease; provided, however, that the failure of the Vendor so to notify the Trustee shall not affect the obligations of the Trustee hereunder or under the CSA.

Any Excluded Payment received by the Vendor shall be immediately paid to the Owner or the Trustee entitled to receive the same.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Vendor to, or transfer, or pass, or in any way affect or modify the liability of the Trustee under the Lease, it being understood and agreed that

notwithstanding this Assignment or any subsequent assignment, all obligations of the Trustee to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Trustee or persons other than the Vendor.

3. The Trustee will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides is to be performed by the Trustee; without the written consent of the Vendor, subject to Section 11 hereof, the Trustee will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease, and the Trustee agrees that any amendment, modification or termination thereof without such consent shall be void.

4. Subject to Section 11 hereof, the Trustee does hereby constitute the Vendor the true and lawful attorney of the Trustee, irrevocably, with full power (in the name of the Trustee, or otherwise), to ask, require, demand, receive and compound any and all Payments due and to become due under or arising out of the Lease to which the Trustee is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which to the Vendor may seem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all sums due from the Trustee under the CSA, this Assignment and all rights herein assigned to the Vendor shall terminate, and all estate, right, title and interest of the Vendor in and to the Lease shall revert to the Trustee.

6. The Trustee will pay or discharge any and all liens, charges or security interests claimed by any party from, through or under the Trustee (and, to the extent the Trustee receives funds for such purposes, claimed by any party from, through or under the Owner and its successors and assigns) not arising out of the ownership of the Equipment or the transactions contemplated by the Participation Agreement, this Agreement and the Lease (but including tax liens arising out of the receipt by the Owner and/or

the Trustee of rentals and other payments under the Lease, the Participation Agreement and any other proceeds of the Equipment unless the Lessee has agreed under the Lease to pay or discharge the same) on or with respect to the Equipment, or any unit thereof, or the Owner's or the Trustee's interest in the Lease and the payments to be made thereunder, but the Trustee shall not be required to pay or discharge any such lien, charge or security interest so long as the validity thereof shall be contested in good faith and by appropriate legal or administrative proceedings in any reasonable manner and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the security interest of the Vendor in or to the Lease and the payments to be made thereunder.

7. The Trustee will, from time to time, execute, acknowledge and deliver any and all further instruments required by law as reasonably requested by the Vendor in order to confirm or further assure the interest of the Vendor hereunder.

8. The Vendor may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Vendor hereunder.

9. This Assignment shall be governed by the laws of the State of Illinois, but the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

10. The Trustee shall cause copies of all notices received in connection with the Lease, and all payments hereunder to be promptly delivered or made to the Vendor at its address set forth in Article 21 of the CSA, or at such other address as the Vendor shall designate.

11. The Vendor hereby agrees with the Trustee that the Vendor will not, so long as no Event of Default under the Lease, or event of default under the CSA, has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits which are assigned and transferred by the Trustee to the Vendor by this Assignment, except the right to receive and apply the Payments as provided in Paragraph 1 hereof, and that,

subject to the terms of the Lease and the CSA, the Trustee may, so long as no event of default under the CSA or Event of Default under the Lease has occurred and is continuing, exercise or enforce, or seek to exercise or enforce or avail itself of, such rights, powers, privileges, authorizations or benefits.

Unless and until an Event of Default under the Lease, or an event of default under the CSA, has occurred and is continuing, the Trustee shall have the right, without the concurrence of the Vendor, to adjust the rentals, Casualty Values and Termination Values pursuant to § 3 of the Lease and to exercise the rights of the Lessor under §§ 7.7, 13 and 14 of the Lease; at all times the Trustee may, without the concurrence of the Vendor, receive all notices, certificates, opinions of counsel and other documents and information to be furnished to the Trustee under the Lease; at all times the Trustee shall have the right to proceed by appropriate court action either at law or in equity to enforce the performance by the Lessee of its obligations with respect to Excluded Payments or to recover damages for the breach thereof as provided in § 10(aa) of the Lease but may not declare an Event of Default under or terminate the Lease. The Vendor may not at any time, without the concurrence of the Owner and the Trustee, amend, modify or supplement or give or accept any waiver or consent with respect to, the Lease so as to increase the liabilities or diminish the immunities of the Owner or the Trustee or reduce the amount or extend the time of payment of any Excluded Payment then due and payable or change any of the circumstances under which Excluded Payments are payable.

12. It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, undertakings, covenants, warranties and agreements herein made on the part of the financial institution acting as Trustee hereunder are made and intended not as personal representations, undertakings, covenants, warranties and agreements by said institution or for the purpose or with the intention of binding said institution personally but are made and intended for the purpose of binding only the Trust Estate (as such term is used in the Trust Agreement) and this Assignment is executed and delivered by the said institution solely in the exercise of its powers expressly conferred upon it as trustee under the Trust Agreement; and no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said institution or the Owner on account of this Agreement

or on account of any representation, undertaking, covenant, warranty or agreement herein (except, in the case of the Trustee only, as provided in Section 6 hereof or in the case of gross negligence or wilful misconduct of the Trustee), either express or implied, all such personal liability, if any, being expressly waived and released by the Vendor and by all persons claiming by, through or under the Vendor; provided, however, that the Vendor or any person claiming by, through or under it, making claim hereunder, may look to said Trust Estate for satisfaction of the same.

13. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument, but the counterpart delivered to the Vendor shall be deemed to be the original counterpart. Although for convenience this Assignment is dated as of the date first above written, the actual dates of execution hereof by the parties hereto are the dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

EXCHANGE NATIONAL BANK OF CHICAGO,
not in its individual capacity, but
solely as trustee under the
aforesaid Trust Agreement,

by

[Corporate Seal]

Authorized Officer

Attest:

Authorized Officer

KNIGHTS OF COLUMBUS,
as Vendor,

by

[Corporate Seal]

Attest:

STATE OF CONNECTICUT,)
) ss.:
COUNTY OF NEW HAVEN ,)

On this day of 1982, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of KNIGHTS OF COLUMBUS, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Notarial Seal]

Notary Public

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of 1982, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of EXCHANGE NATIONAL BANK OF CHICAGO, that one of the seals affixed to the foregoing instrument is the corporate seal of said national association and that said instrument was signed and sealed on behalf of said national association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national association.

[Notarial Seal]

Notary Public

My Commission expires

CONSENT AND AGREEMENT

The undersigned, ALLIED CORPORATION ("Lessee"), the Lessee named in the Lease of Railroad Equipment ("Lease") referred to in the foregoing Assignment of Lease and Agreement ("Lease Assignment"), hereby (a) acknowledges receipt of a copy of the Lease Assignment and (b) consents to all the terms and conditions of the Lease Assignment and agrees that:

(1) it will pay or cause to be paid all rentals, casualty payments, termination payments, liquidated damages, indemnities (except Excluded Payments as defined in the Lease Assignment) and other moneys provided for in the Lease (which moneys are hereinafter called "Payments") due and to become due under the Lease or otherwise in respect of the Units leased thereunder, to the extent such payments are required to satisfy the obligations of the Trustee under the CSA (as defined in the Lease), by transfer of immediately available funds directly to the account of the Vendor (as defined in the Lease Assignment) at its place of payment specified in Schedule A of the Participation Agreement, each such payment to be accompanied by sufficient information to identify the source and application of such funds (or by such other method or at such other address as may be furnished in writing to the Lessee by the Vendor); any balance shall be paid by the Lessee to the Owner by wire transfer of immediately available funds to State National Bank of Connecticut, 1 Atlantic Street, Stamford, Connecticut 06902 for deposit in the account of the Owner entitled: Operating Account No. 1-37976-1, unless and until the Vendor shall otherwise direct the Lessee in writing;

(2) the Vendor shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the Lessee under the Lease as though the Vendor were named therein as the lessor;

(3) the Vendor shall not, by virtue of the Lease Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise; and

(4) the Lease shall not, without the prior written consent of the Vendor, be terminated (except in accordance with its terms) or modified, nor shall any

action be taken or omitted by the Lessee the taking or omission of which might result in an alteration or impairment of the Lease or the Lease Assignment or this Consent and Agreement or of any of the rights created by any thereof.

This Consent and Agreement, when accepted by the Vendor by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the State of New York and, for all purposes, shall be construed in accordance with the laws of said state.

ALLIED CORPORATION,

[Corporate Seal]

by

R. G. Schile
Assistant Treasurer

NM
7/7/82

Attest:

MTB
Assistant Secretary

The foregoing Consent and Agreement is hereby accepted, as of June 15, 1982.

KNIGHTS OF COLUMBUS,
as Vendor,

by
